

**USDA and USAID Export Food Aid Conference VI**  
**Lauren Landis**  
**Welcome Speaker**  
**April 20, 2004**

**Intro:**

Thanks, Bert. It is great to be here with you again. As always, *it is a great pleasure for USAID to co-sponsor the Export Food Aid Conference here in Kansas City.* Every year this conference gets bigger and better. And, as always, the staff here in Kansas City have done a fabulous job in pulling this conference together – I understand that there are over 750 participants here today – *I want to be among the first to thank the KCCO for their tremendous efforts.*

One of the reasons for the fabulous turnout this year is that *we are celebrating 50 years of P.L. 480 and 50 years of partnering with the world to overcome hunger.* We are all here because we are part of making American food aid a success. In the last 50 years, the PL 480 Title II program – the part of PL 480 managed by USAID in the Office of Food for Peace- *has fed over three billion people in approximately 150 countries through its UN and NGOs partners. We have spent over 33 billion dollars to provide 106 million metric tons of American commodities to countries in need.* Those numbers are big in anyone's book!

The commodities that are purchased under the Food for Peace program come from at least *42 of the 50 states. So, not only does it create jobs and protect livelihoods in other countries. Title II creates jobs and protects livelihoods right here in the United States.*

Today, my job is not only to welcome you to the sixth Export Food Aid Conference, but also to remind you of a bit of the history of the last 50 years of P.L. 480 – what changes in the legislation have meant the program- our combined accomplishments, and what the future of P.L. 480 might hold. I have no crystal ball, but I would like to suggest that we haven't finished the job yet and I think that we have some significant challenges ahead of us for the future.

### **Changing Regulations:**

As you can imagine the PL-480 legislation has undergone a number of changes in 50 years. In 1954, PL-480 was created largely as a way to open foreign markets to U.S. food exports through the use of surplus commodities. PL-480 definitely achieved its purposes in the late 50s. *It significantly increased U.S. exports which helped maintain high levels of agricultural production in the United States. However, these exports also helped feed many of the world's hungry.*

*Although humanitarianism might not have been the focus of the initial legislation, it quickly became the focus in the 1960s- a focus that is maintained today. Americans across this country and no doubt everyone in this room is proud of the generosity and the humanitarian focus of our food aid.*

The 1970s saw a trend of rising commodity and transport costs due to poor world harvests and increasing petroleum costs which severely affected the level of commodities that could be sent overseas. To protect the humanitarian aspect of the program, a minimum tonnage requirement of 1.3 million tons was legislated into Title II. This level has increased a number of times since then. This change was significant in that it showed that *policy makers felt that it was important that the US have a consistent role – assisting people in need on a large scale despite what prices might be doing in any given year. It also laid the ground work for Title II's growing role in development assistance and food security.*

In the 1980's, Harvests improved and U.S. surpluses increased. Title II shipped more commodities during this time. This decade is probably remembered by most of us in the food aid business by the Ethiopian Famine of 1984-85. It was this horrendous famine that forced the world to look more closely at the *root causes of food insecurity and pushed for an increase focus on development to prevent famine.*

The 90's saw a number of legislative changes that were significant to the program. The concept of food security was introduced – *thereby showing that policy makers saw that food aid was not only a tool of emergencies but also a tool of development.*

At the same time, the 90s also saw the introduction of monetization to the program and dollar support costs added to the program to make it easier for our cooperating sponsors to carry out comprehensive programs that were better assessed, designed and monitored. There was a real recognition that food assistance needed to be apart of other developmental efforts to deal with hunger over the long term.

All of these changes – to increase flexibility and the use P.L. 480 for development - have increased in the most recent Farm Bill.

### **Food Aid as a Catalyst:**

What have we accomplished? Have we just acted as a soup kitchen for the last 50 years – No, although food aid may have been only part of the answer, we have seen food aid change the world by improving economies and more importantly by changing people's lives.

Food aid has been the catalyst for change for many individuals as well for many countries. – USAID is preparing its own 50<sup>th</sup> celebration that we are planning in July this year in Washington. We have been collecting testimonials from food aid recipients around the world who tell us how US food aid has changed their lives. We are making a video that will tell many of these stories.

We have found USAID staff in the US and in our Missions around the world who tell us that they first heard about USAID at their schools when they were part of the school lunch program which provided American food aid. We have found Olympic medalists, Ministers of Agriculture, relief workers, Ambassadors and teachers who attribute their success to American food aid. I am amazed with each new story that I hear – it is impossible not to be proud of your country and our food aid when you hear these stories.

Many of the same success stories exist on the national level. Many African, Asian, and Latin American countries that were once depended largely on food aid, now buy significant quantities from US markets.

We have seen many countries around the world that have once been food aid recipients graduate.

One of the best success stories is South Korea. In the late 1960s, Title II Food for Work programs were used to increase economic stability in Korea. These projects contributed significantly to developing a rural economy that could support itself. In this case American food aid significantly contributed to the stability of the country. Korea has since become a large buyer of American food commodities.

Other countries such as **Poland, Mexico, Argentina, Chile, Morocco, Vietnam and Thailand** have graduated from food aid programs and are now *donors of food aid*.

In addition to using food to build food security, improving agricultural production, and developing rural economies, Food for Peace has enacted social change.

Many of the testimonials that were are collecting talk in particular about the changes in women's empowerment that have resulted from their involvement with Title II programs over a generation. Probably, many of you are aware of the strong evidence from many empirical studies that show that better education, particularly of girls, encourages improved food security of their children.

It is well known that more educated women have children later, usually have fewer children, and are also better prepared to make sure that their children are well nourished and better educated. The testimonials from early Title II school feeding programs are finding just that – food aid not only created more productive and better nourished girls, it also assured that the next generation of girls were more food secure, better educated and more empowered than their mothers.

I had the opportunity to see this with my own eyes this year when I visited India. India, a country of tremendous size and diversity has on the one hand over a billion people- including 250 million of the world's 850 hungry people - and on the other hand, it has tremendous potential for agricultural production, resulting in wheat surpluses over the past couple of years.

How has 50 years of food aid affected the lives of women in India? When you go down to the village level to look at the food aid programs, you see the empowerment of women first hand. In the CARE Program for example, not only were all the CARE staff women, all of their government counterparts were women, and in the villages all of the local committees managing the nutritional programs were women. Even the social change agents who came from the very poorest communities and the very lowest castes were all made of women who were very proud of their role. They were even training teenage change agents to help reach out to young married girls to make sure the health and nutritional messages were reaching those who needed it most, but due to social norms, may be cut off from the outside world. Food aid empowered these change agents within their communities and made them role models for other women.

The best part is that the Government of India now provides a large amount of the food aid needed by its people. If I remember the figures correctly, the amount the Indian Government provides in food assistance annually is \$8 billion – allowing our comparably small \$45 million to continue to focus on the most marginal populations and the most vulnerable segments of the population that still look to our cooperating partners in India to assist them with some food and help with community mobilization and development.

### **Looking Forward:**

So, although we have tremendous accomplishments under our belt, the job is not done. With 850 million hungry people in the world, there is still a very important role for food aid in the coming years and possibly decades.

The Office of Food for Peace working together with its NGO and UN partners have made tremendous strides in responding in a more timely manner to food crises. Technology today

helps us to predict where droughts will occur and when food production will be reduced or markets will fail.

We have gotten much better at getting food to the right people at the right time to prevent famine or crises. There is always room for improvement, but we have made tremendous strides over the last twenty years.

Accountability is another area that we have seen tremendous improvement. We have greatly improved the mechanisms to assure that food gets to the people that need it and isn't siphoned off by governments for their own enrichment. It still happens from time to time, but our cooperating sponsors have found ways to program that avoids diversions and improves targeting.

What do we need to work on now? How do we plan for the next 50 years? In the Office of Food for Peace we are working through a new strategy and here are some of the things we are thinking about:

- 1. We need to focus in on the most difficult countries and most marginalized populations**

In short, it is not enough to talk about food security, we need to focus on what makes people food insecure, what shocks affect them, how they respond to shocks, and how to prevent them. In particular, we are focused on many of the famine prone countries – most of whom are fragile and failing states and most in Sub-Saharan Africa. FFP and USAID as a whole need to rethink our strategies for these countries and how we use food aid as part of these strategies.

Ethiopia is a good example. I hope that you will hear from Commissioner Simon Mechele later in the week on the new thinking that his Government is giving to food security and how he is working with the international community, led by the World Bank to forge a new strategy for Ethiopia. Although it will mean many difficult changes for our partners in Ethiopia, we are hopeful that this new strategy will help to lessen the severity of the re-occurring shocks on the Ethiopian people.

2. **We are focused on telling the story of American food aid.** While we have always had a strong impact in the field, our new strategy emphasizes building greater global leadership on food aid issues. We have learned a lot over the last 50 years about what food aid can and can not do. It is time that the US take a leadership role in the global arena to frame the food security agenda of the future. We can not eradicate hunger alone. We need to work more closely with other donors on strategies and interventions that builds on each ones strengths.
3. **We are improving the management of the Food for Peace program.** Last year, I spoke about our efforts in streamlining which are ongoing and we are making some real progress. One of the things that is frustrating to me and to the staff of FFP has been our IT systems which are about as old as this legislation. We are working hard on our own internal systems to make sure that new systems connect better with our own Agency systems and we are looking forward to continued work with USDA – as Bert mentioned to make sure that our systems are well connected to USDA systems. It is very important to all of our partners in the US and in the field to feel confident that we are managing this resource as efficiently as possible and that everyone have timely information so that they can do their part in the food aid chain.

### **Challenges:**

I will close with some of the challenges will we see in the next decades? I've picked a couple to start the list to which I am sure that my colleagues and other speakers will add to during the conference.

1. HIV/AIDS - In the last few years and looking into the future we have become much more cognizant of fulfilling the nutritional needs of people, especially in light of the HIV/AIDS pandemic that is sweeping through Africa and other regions of the world. This will be a significant challenge to food aid.

**2. Changing policies on food aid:** Despite the generosity and the wisdom of Congress to keep P.L. 480 well funded over the years. Other countries are taking a different tact and we are seeing food aid budgets, whether in food or in cash, reducing around the world. Yes, there are some potential new donors in food aid: Russia, India and South Africa come to mind, but their role at this point is not substantial. With the number of hungry people not decreasing , and in many areas increasing due to new emergencies, things are not looking good globally. Pipeline breaks and serious ones are still going to be a part of the future.

**3. Urbanization of food insecurity.** Over the last 50 years the focus of our PL 480 programs have been rural. However, my colleague at FAO was remarking yesterday that now more people in the third world live in cities rather than in rural areas. Making these populations food secure is going to require some new approaches and programs for those who are left behind by the urban engine of economic growth.

**Thanks very much and enjoy the rest of the conference.**